

## **PANELLIST'S STATEMENT - DENIS ANDERTON, BARCLAYS BANK PLC**

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My role within Barclays Bank is that of Head of Risk Management for a business unit known as Payments and Cash Management Services. This business unit is responsible for all of the payments and cash management products that the Bank provides to its' corporate and retail customers. These include cash, paper cheques and credits, domestic and international collections and payments as well as the Bank's electronic banking products.

To give an idea of the scale of our operations, our main centre processes in the region of £60bn of high value payments on peak days.

As one would expect, all aspects of risk management are very relevant to us. In particular the requirements for extremely high levels of availability and integrity of information are becoming more significant as our industry moves rapidly into the electronic delivery of products. The development of real time gross settlement for payments systems also requires us to strive for 100% availability of our networks and supporting applications. We also operate in a highly competitive sector of industry which necessitates cost effective solutions.

We believe that risk management must be driven from the top down by the people charged with running our business i.e. our Managing Director and his executive management team (which includes myself). Risk management objectives and activities must be based on business objectives and requirements, and must be led by business management. In fact risk management should be a key driver in determining business strategy.

To ensure this is achieved we have developed a strategy for risk management, which covers business and legal risks, as well as IT. This includes such things as a formal risk management structure and a highly structured approach to staff awareness.

Fundamentally, I believe that good risk management is a cultural issue - it's an attitude of mind. One of our themes for risk management is that "Awareness is the most effective countermeasure". If our people understand the risks and the effects of poor performance, they will typically develop the appropriate controls in their every day work. Given the right leadership this can and is being achieved in Payments and Cash Management Services.

I look forward to discussing these issues with the delegates.